Creating Ammunition Enterprise Excellence

39th Annual Gun & Ammunition/Missiles & Rockets Conference

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Key Points

- Working hard to integrate logistics and acquisition and create a single voice (not single person) in SMCA operations/Army Ammunition Management.
- Instilling discipline/System Engineering mentality in the way we look at every aspect of the ammunition enterprise
- Still have major work to do in working with and communicating with our customers/external interfaces
- The Ammunition Enterprise has Addressed Critical Needs and is Poised to Focus on Long Term Strategic Challenges

Ammunition Enterprise Responsibilities

(As briefed to the SAE and to AMC on 6 December 2002)

MISSION	LEAD	SUPPORT
ACQUISITION		
RDT & E	PEO-AMMO	JMC
Acquisition Strategy	PEO-AMMO	JMC
Hardware Production	PEO-AMMO	JMC
Components for Renovation (Maint Spt)	PEO-AMMO	JMC
APE (Maint Spt)	PEO-AMMO	JMC
PAA Program / Budget / Receive Funding	PEO-AMMO	JMC
Industrial Base	Co-Lead	
LOGISTICS / SUSTAINMENT		
Receipt / Issue	JMC	PEO-AMMO
Storage / Distribution Management	JMC	PEO-AMMO
Inventory / Accountability	JMC	PEO-AMMO
Safety / Security	JMC	PEO-AMMO
Quality Assurance (ASRP / Surveillance)	JMC	PEO-AMMO
Maintenance	JMC	PEO-AMMO
Demilitarization/ Disposal	PEO AMMO	JMC
Transportation	JMC	PEO-AMMO
OMA Program / Budget / Receive Funding	JMC	PEO-AMMO

KEY TO ENTERPRISE: INTEGRATION AND SYNCHRONIZATION

Ammunition Enterprise Definition

- The Ammunition Enterprise is the integration of people, infra-structure and processes required for ammunition life cycle management to support the warfighter.

Enterprise Management Philosophy

- Promote Best Value Acquisitions
- Utilize Disciplined Processes
- Deploy Six Sigma and Lean Design/Production
- Promote Continuous Process Improvement and Technology Insertion
- Promote Commonality and Interoperability
- Promote Spiral or Evolutionary System Development
- Ensure customers voice in the process

Put Eyeballs On – "Trust, but Verify"

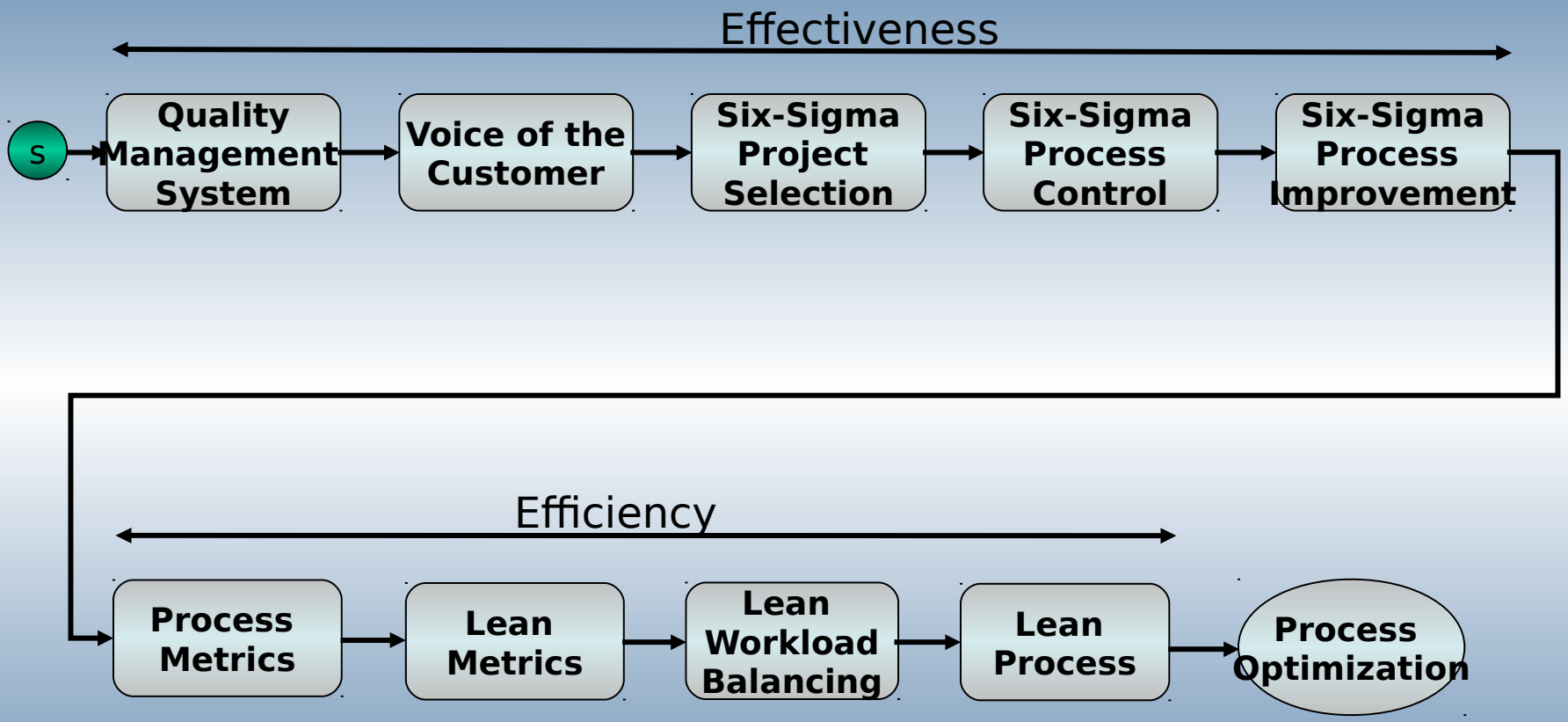
Executive Black Belt Program

- Initiated VSE facilitated monthly sessions at PEO Ammo with Sr. PEO, JMC, ARDEC Leaders on Jun 03
- Learning Lean Six Sigma tools through lectures and three project teams working on:
  - ✓ Procurement of ammunition
  - ✓ Supplier assessment process
  - ✓ Engineering support process
- Mapped ammo enterprise and prioritized processes improvement opportunities

Expected Payback

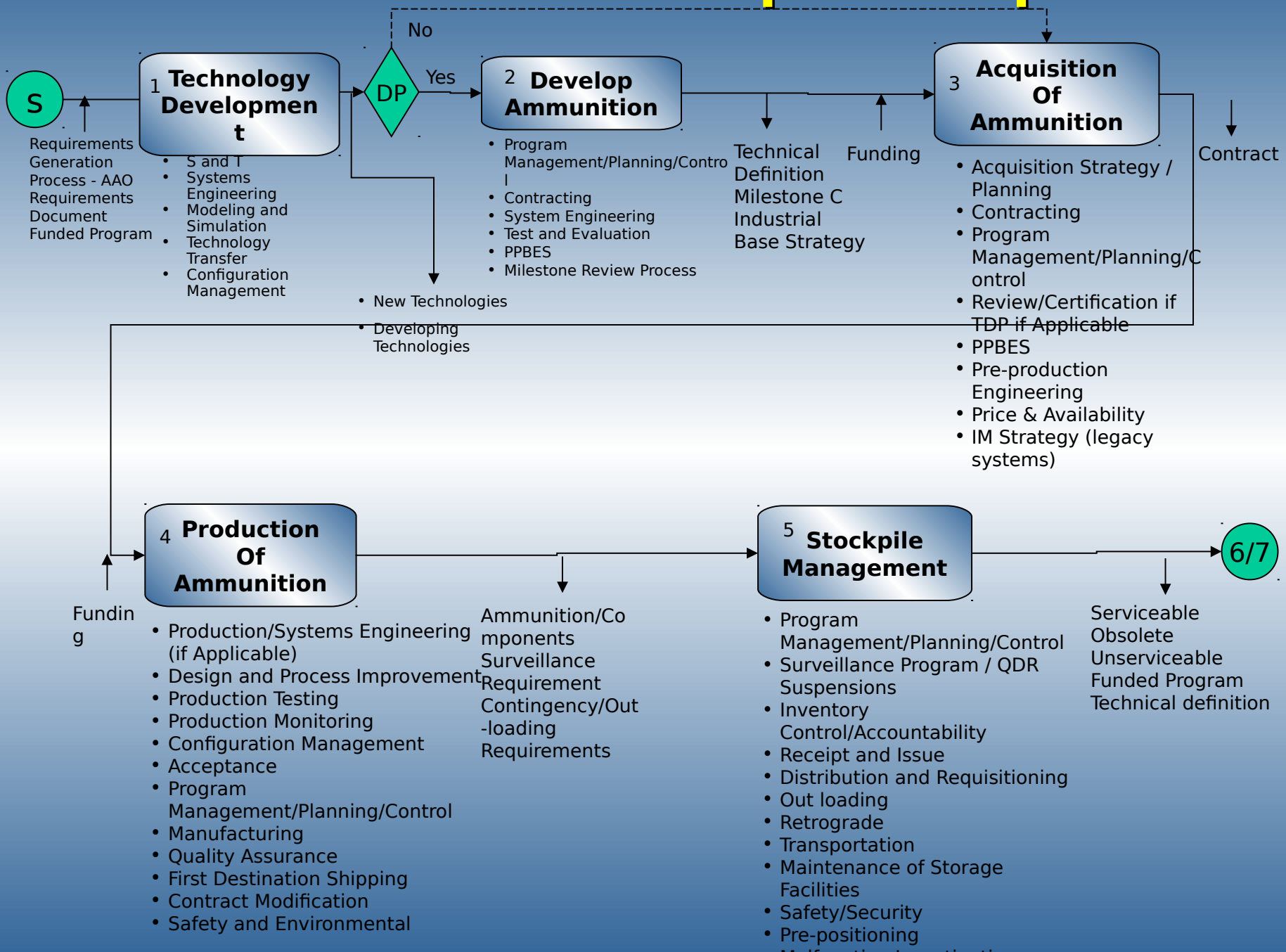
- Acquisition management consistency
- Fact-based decision
- Better prioritization and application of resources
- All aspects of the enterprise taken into consideration during process
- Complete, consistent and comprehensive acquisition strategies
- Streamlined processes
- Baseline for our decisions
- Better understanding and management of risks
- Manage Ammunition as a major acquisition program across the enterprise and not a commodity
- Reliable and effective products for the war fighter

Enterprise Excellence
Deployment Model



A <u>disciplined</u>, <u>structured</u> approach for process and product optimization that is focused on the effectiveness' and efficiency bottom line of the organization.

Ammunition Enterprise Map



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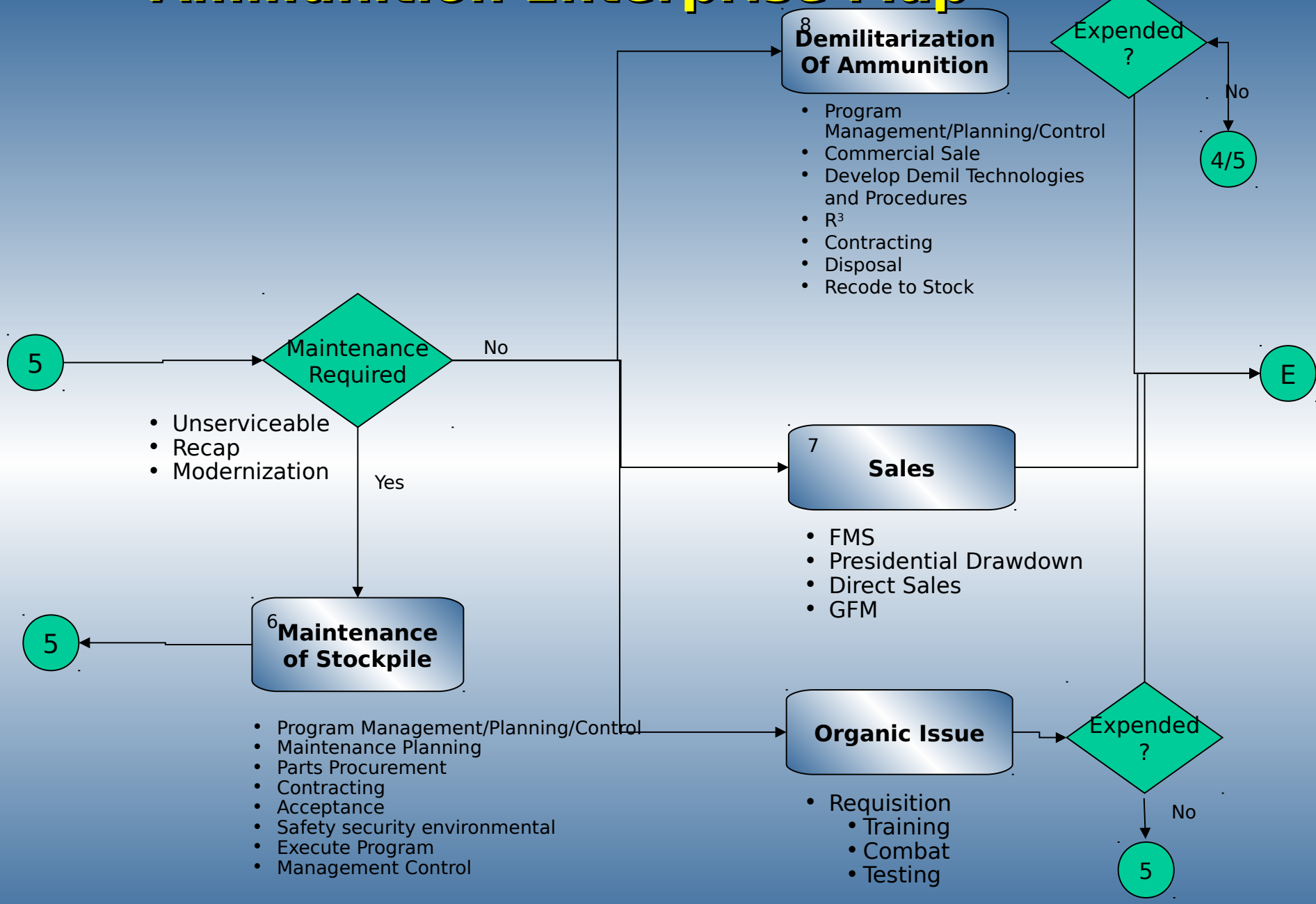

Enabling Initiatives

- PEO Ammo/JMC MOU
- Operating in a Joint Services environment
- Industrial Base Strategic Planning
- Demilitarization Strategic Planning
- Munitions Readiness Reporting
- Collaborative Systems Environment

Summary – The Ammunition Enterprise is …

- An integrated organization that sees the “big picture” and hears the “voice of the customer”
- Making fact based decisions
- Continuously improving effectiveness and efficiency
- Championing innovation at all levels

Supporting the Joint warfighter in every way possible

Discussion

PEO
Ammunition
Joint Lethality

AMERICA'S
THE BRAVE
ON THE LINE

Ammunition Enterprise

- **Mission:**
  - ✓ Single Manager for Conventional Ammunition
  - ✓ Life Cycle Acquisition Management of Ammunition
- **Key Objectives:**
  - ✓ Unify and Integrate Ammunition Management Under One Single Chain of Command – **Working hard to integrate logistics and acquisition and create a single voice (not single person) in SMCA operations/Army Ammunition Management**
  - ✓ Develop a Unified Munitions Acquisition Strategy
  - ✓ Identify and Optimize Key Business Processes
  - ✓ Develop an Overarching Industrial Base Strategy (Organic and Commercial)
  - ✓ Provide Integrated Supply Chain Management of the Ammunition Production Base

Enterprise Excellence

- Create an agile organization capable of quickly addressing problems, changing budgets, changing requirements, changing technology, changing industrial base etc.
- Culture based on fact-based decision making
- Maximize value though quality management-voice of customer-effectiveness-efficiency

Value is the timely delivery of effective quality ammunition that is safe and provides our warfighters an overmatch capability-readiness